## COMMONWEALTH OF PENNSYLVANIA

GAMING CONTROL BOARD

\* \* \* \* \* \* \* \*

IN RE: CATEGORY 1 LICENSE RENEWAL

CHESTER DOWNS AND MARINA, LLC D/B/A

HARRAH'S PHILADELPHIA

\* \* \* \* \* \* \*

PUBLIC INPUT HEARING

\* \* \* \* \* \* \* \*

BEFORE: MEMBERS OF THE BOARD:

LINDA S. LLOYD, PRESIDING OFFICER

Frank Dermody, Member

Denise J. Smyler, Member

T. Mark Mustio, Member

HEARING: Wednesday, June 30, 2021

10:31 a.m.

LOCATION: Chester City Hall

1 Fourth Street

Chester, PA 19013

Reporter: Samantha Sennett

Any reproduction of this transcript is prohibited without authorization by the certifying agency.

WITNESSES: Chris Albrecht, Patty Cain, Marianne Oronzio, Sergeant Zachary T. Ryan, Michael D. Wilbur, Jennadi Ferriola

```
A P P E A R A N C E S (cont.)
```

- 2 OTHER ATTENDEES:
- 3 | Chester Downs & Marina, LLC
- 4 | Chris Albrecht, Senior Vice President and General
- 5 Manager, Harrah's Philadelphia
- 6 | Patty Cain, Vice President of Human Resources
- 7 | Marianne Oronzio, Cage and Credit Manager
- 8 | Lawrence Moore, Jr., Security and Risk Manager
- 9 Bessie Sacco, Vice President of Legal and Regulatory
- 10 Affairs
- 11 | Joseph Tyrrell, Regional Vice President of
- 12 | Government Relations
- 13 | Barry Brown, Director of Racing Operations
- 14 Zachary T. Ryan
- 15 | Michael D. Wilbur
- 16 | Jennadi "Jerry" Ferriola
- 17 John I. Kane
- 18 | Thaddeus Kirkland
- 19 Julie Avalos,
- 20 | Jonathan L. King
- 21 | Donald J. Garfinkel
- 22 | Vince Del Rossi
- 23 Edward N. Collison
- 24 | Samuel Beegle

				5
1	INDEX			J
2	OPENING REMARKS			
3	By Presiding Officer	9 -	- 12	
4	OPENING REMARKS			
5	By Attorney Schrier	12 -	- 14	
6	PRESENTATION			
7	By Mr. Albrecht	14 -	- 28	
8	By Ms. Cain	28 -	- 33	
9	By Ms. Oronzio	33 -	- 34	
10	By Mr. Moore	34 -	- 36	
11	DISCUSSION AMONG PARTIES	36 -	- 45	
12	QUESTIONS FROM BOARD	45 -	- 51	
13	OPENING REMARKS			
14	By Attorney Armstrong	51 -	- 53	
15	WITNESS: Sergeant Zachary Ryan			
16	DIRECT EXAMINATION			
17	By Attorney Armstrong	53 -	- 64	
18	QUESTIONS FROM BOARD	65 -	- 67	
19	WITNESS: Michael D. Wilbur			
20	DIRECT EXAMINATION			
21	By Attorney Armstrong	68 -	- 74	
22	WITNESS: JENNADI "JERRY" FERRIOLA			
23	DIRECT EXAMINATION			
24	By Attorney Armstrong	74 -	- 78	
25	PUBLIC COMMENT			

ĺ							
1	I N D E X (cont.)		6				
2	STATEMENT						
3	By Senator Kane	80 - 81					
4	By Mayor Kirkland	81 - 83					
5	COMMUNITY GROUP COMMENT						
6	STATEMENT						
7	By Ms. Avalos	84 - 86					
8	By Mr. Abdur-Rahim King	86 - 88					
9	INDIVIDUAL COMMENT						
10	STATEMENT						
11	By Mr. Del Rossi	88 - 89					
12	By Mr. Collison	89 - 90					
13	By Mr. Beegle	90 - 91					
14	DISCUSSION AMONG PARTIES	91 - 92					
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							

1			EXHIBITS		7
2				Page	Page
3	Number		Description O	ffered	Admitted
4	Harrah's	s Ex			
5	Exhibit			48	5 0
6	Exhibit	1	Letter	48	5 0
7	Exhibit	2	Letter	48	5 0
8	Exhibit	3	Letter	48	5 0
9	Exhibit	4	Letter	48	5 0
10	Exhibit	5	Letter	48	5 0
11	Exhibit	6	Letter	48	5 0
12	Exhibit	7	Letter	48	5 0
13	Exhibit	8	Letter	48	5 0
14	Exhibit	9	Letter	48	5 0
15	Exhibit	10	Letter	48	5 0
16	Exhibit	11	Letter	48	5 0
17	Exhibit	12	Letter	48	5 0
18	Exhibit	13	Letter	48	5 0
19	Exhibit	14	Letter	48	5 0
20	Exhibit	15	Letter	48	5 0
21	Exhibit	16	Letter	48	5 0
22	Exhibit	17	Letter	48	5 0
23	Exhibit	18	Letter	48	5 0
24	Exhibit	19	Letter	48	50
25	Exhibit		Letter from Senator Kan	e 48	50

					. 1
1			ЕХНІВІТЅ (с	ont )	8
2			EARIBIIS (C	Page	Page
3	Number		Description	Offered	Admitted
4	OEC Exh:	ihi+		<u>Olleled</u>	Admitted
5				. B D G	
6	Exhibit 1 Data Compiled from NIBRS				
7	and UCR System from  January of 2015 through				
8			May of 2021	57	78
9	Exhibit	2		57	78
10	Exhibit			57	78
	Exhibit			57	78
11					
12	Exhibit			57	78
13	Exhibit	6	Document	57	78
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

## PROCEEDINGS

2 | -----

PRESIDING OFFICER: Good morning,

everyone. My name is Linda Lloyd, and I'm the

Presiding Officer assigned by the Board to conduct

this portion of the Category 1 License Renewal

Hearing for Chester Downs and Marina, LLC, doing

business as Harrah's Philadelphia.

Before we begin, if we could all turn to off or vibrate our cellphones and all those other electronic devices.

I call this hearing to order. The date is Wednesday, June 30th, 2001 (sic), and the time is 10:30. The location is the Chester City Hall, at 1 Fourth Street, in Chester, PA.

The Pennsylvania Race Horse

Development and Gaming Act requires at Section 1326

that an operator's license shall be subject to

renewal by the Board every five years. And this

license renewal hearing is conveyed by the Board

pursuant to the mandate found in Section 1205(b) of

the Gaming Act, which requires that the Board

conduct a public input hearing for any license

renewal application.

This public input hearing was

advertised on the Board's website, announced by the 1

2. Board at Board meetings, and advertised in local 3 newspapers.

5

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

2.4

25

Board members present for the hearing 4

today are, to my immediate right, Commissioner 6 Mustio; and to his right, Commissioner Dermody; and 7 to my left, Commissioner Smyler.

The hearing will begin with a presentation by Harrah's Philadelphia. And the Office of Enforcement Council (OEC) will have an opportunity to cross examine witnesses at the end. And Board members certainly have the opportunity to ask questions.

After Harrah's has made its presentation, the OEC has a presentation. again, Counsel for Harrah's will have the opportunity to cross examine any OEC witness. the Board will have an opportunity to ask questions.

At the close of testimony and evidence from both parties, those individuals who have registered to speak today at this hearing during the public comment period will be heard as their name is And each speaker will have five minutes to called. provide their thoughts on the Renewal Application.

At the close of public comment,

Harrah's and OEC will have the opportunity to provide a closing statement if they desire.

All witnesses are reminded to speak loudly and clearly so that we can all hear what you have to say and our court reporter down here on the end can hear you as well. And as Mr. Harbach said, we are livestreaming this proceeding through the Board's website, and it will be up for everyone's viewing pleasure in the future if you want to go back and look at it again.

So, let us have all witnesses from Harrah's and OEC who will testify during the presentation part of our hearing today, if you could stand and raise your right hand and be sworn by the court reporter.

2.4

17 (WHEREUPON, WITNESSES SWORN EN MASSE.)

PRESIDING OFFICER: I will remind you, when you speak for the first time, if you could state and spell your name for the court reporter.

She does have a list, but it will be nice if she had the spelling of your name and spelling on the record as well.

So, Harrah's, take it away.

```
1
                   ATTORNEY SCHRIER:
                                       Thank you, Director
2.
    Lloyd. Can I ask, are other Commissioners on
3
    livestream or -?
                   PRESIDING OFFICER:
 4
                                        No.
 5
                   ATTORNEY SCHRIER:
                                      This is our - okay.
 6
                   Well, very good.
7
                   PRESIDING OFFICER:
                                        Those
    participating today - but the entire record will be
8
    made available to the full Board for their
10
    consideration.
11
                   ATTORNEY SCHRIER: Very good.
12
                   So good morning, everyone. Good
13
    morning, Commissioners. My name is Stephen Schrier.
14
    If it's okay, maybe I'll just take my mask off while
15
    I'm speaking. I am an attorney with Blank Rome.
    name is spelled, S-C-H-R-I-E-R. And we represent
16
17
    Chester Downs and Marina, LLC, which does business,
18
    as you know, as Harrah's Philadelphia.
19
                   We're pleased to be here in a city
20
    where we operate, in the City of Chester, in City
21
    Hall with you, in a live setting, for the first time
22
    in a very long time. It's a pleasure to appear in
23
    front of you in that capacity.
2.4
                   As Director Lloyd indicated, we're
25
    here for the public hearing - the public input
```

- 1 hearing on the renewal of the Slot Machine License
- 2 for Harrah's Philadelphia, as mandated by the Gaming
- 3 Act.
- 4 I'd like to introduce the key persons
- 5 | who are here with us today from Harrah's
- 6 | Philadelphia. And some of them have been sworn
- 7 | already, but to my right is Chris Albrecht. Chris
- 8 | is the Senior Vice President and the General Manager
- 9 of Harrah's Philadelphia. And behind him is Patty
- 10 Cain. She is the Vice President of Human Resources.
- 11 | And back there, if you can just raise your hand, is
- 12 | Marianne Oronzio. She's the Cage and Credit
- 13 | Manager. And Lawrence Moore, who is the Security
- 14 | and Risk Manager.
- 15 Also with us today from Caesars is
- 16 | Bessie Sacco, who's the Vice President of Legal and
- 17 | Regulatory Affairs for Caesars Entertainment, and
- 18 | Joseph Tyrrell, who is the Regional Vice President
- 19 of Government Relations. And with me today from
- 20 | Blank Rome is my colleague, Gregory Bailey.
- 21 As you know, it's the burden of every
- 22 | Slot Licensee to prove that it meets the criteria on
- 23 | its renewal to continue to sustain and hold and
- 24 | maintain its Slot Machine License.
- Harrah's holds a Category 1 Slot

- Machine License and, to this date, has complied with 1 2. all of its obligations and updates and filings in 3 order for it - its license to be renewed. Today's hearing is an important step in that license renewal 4 5
- 6 So for now, I would like to introduce 7 Mr. Albrecht again and ask that he explain to you 8 the property, its accomplishments and the basis of 9 some of the facts why this license should be 10 renewed. Chris?

process.

15

16

17

18

19

20

21

22

23

24

- MR. ALBRECHT: 11 Thanks, Steve. It's Chris Albrecht, A-L-B-R-E-C-H-T. I am General 12 13 Manager for Harrah's Philadelphia. And thank you 14 for the opportunity to speak in front of you today.
  - We are coming up this year on being able to celebrate our 15-year anniversary here in Chester, first as a racetrack, coming up on September 10th, and then January 22nd of next year will be our 15-year as a casino license-holder here in Chester. And again, appreciate the opportunity to speak to you on behalf of our team.
  - We also have other members of our team in the audience today as well as many of our partners in the community that will also have the opportunity to speak on our behalf later today.

So just, you know, a quick history of our location here in Chester. This is the old Sun Shipping campus shipping yard. We're right on the water. Racetrack and casino again both built almost 15 years ago. You can get a sense of the - you know, the rich history in the city that we were able to put our - our facility on, and have enjoyed again as a partnership here in Chester over the last 15 years. And again, continue to look for ways to contribute to our local community.

1

2.

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

That is about 64 acres of a brownfield site that we did build on that shipping yard. It's a multi-level facility. Our - our racing level takes up most of the second floor, where we have live racing and simulcasting going on. And then our main casino floor on the third floor. So just over 200,000 square feet of space that we use. That also includes banquet space, restaurants. And again, everything for the casino and for the racetrack is encompassed on there. Spent almost a half a billion dollars over the 15 years building the facility and making improvements over time that we'll talk a little bit about today.

We've been able in that time to generate over \$4 billion in gross gaming revenue.

We've been able to bring about 42 million visitors 1 2. to our facility. That's a lot of folks coming down 3 to Chester to visit us and enjoy the area. 4 that's translated to over 2.3 million - sorry, 5 billion in taxes and fees to the State, to the 6 Commonwealth, from our facility being here. 7 We've definitely had a bit of 8 evolution over time with our gaming facilities. So, just recently, about two weeks ago, we were approved 10 to have our slot footprint become 1,700 slots. 11 as we stated at that hearing, we believe this really 12 sets our - our property up for the right kind of 13 offering for our guests now, creating more spacing

on our floor. It's a lot, as I explained at that

years. In terms of building a better experience for

hearing, that we've learned over the last several

our guests, we think that's more than enough units

18 to satisfy the demand we now have at Harrah's

19 Philadelphia.

15

16

2.0

21

2.2.

23

2.4

25

Still operate 71 table games throughout that facility. We've also implemented some of the newer technologies, like electronic table games, fully-automated variety and the dealer-assisted. And we're in the process of getting some more of those as well.

In January of 2019, along with many of 1 2. the other casinos in Pennsylvania, we added sports 3 betting, and we added our Sportsbook at that time. And that's actually been rebranded since then to a 4 5 William Hill Sportsbook. And we're in the process 6 of actually relaunching that again now that William 7 Hill has kind of come out to see some draw. So, a lot of excitement in our company overall and here in both Chester and Pennsylvania overall for the growth 10 of the sports betting market.

And live racing and our simulcast business, which I'll talk a bit more in detail, but that's been a very strong part of our operation since the beginning. And last year it's grown even more so.

11

12

13

14

15

16

17

18

19

2.0

21

22

23

24

25

Our food and beverage offering, we continue to try different things and have kind of come up with a blueprint that we think works wonderful for our guests. Philly Tap & Tavern, which I'll talk a little bit more about later, is actually a concept we had several years ago. And it's come back since this January in a very strong way for our customers.

The Market is our - our quick service offering where you can get sandwiches, salads,

pizzas, all made for you right there, fresh. And I'm very excited that came in 2017.

2.0

Mien is our noodle bar offering that serves mainly a very specific part of our customer base, and that is the Asian-American community around Philadelphia that we're able to draw their business here.

And then on our racing level we have a couple offerings, Philly Steak Shack being the main one, but they also have a Krispy Kreme Donut there. And they're in the process of adding a third offering for a food court there called Kickin' Chicken to kind of pick up on the chicken sandwich craze and stuff like that. So, a variety of offerings for both our racing and our casino customers at Harrah's Philadelphia.

And with Harrah's coming to this market, we also brought a very large organization, Caesars Entertainment, one that has grown in size over time. And as of last summer, it became the largest gaming company in the United States with the merger of El Dorado and Caesars. And so, with that, our customers that come to play with us here at Harrah's Philadelphia not only have access to all the great things that we offer here in Chester but

also things throughout our entire network, which include locations such as Las Vegas, California, Reno and Lake Tahoe, New Orleans, the Chicago area, and most locally here, Atlantic City. And what that means to our customers when they come and play with us at Harrah's Philadelphia, they earn reward credits through our program. And they can take those credits and use them in all those other wonderful, great locations. So, it's a great attraction for us to be able to offer not only great amenities for our guests here, but as we invest in our product across the country, that has customers really excited here at Harrah's Philadelphia and to earn through our wonderful Caesars Reward Program.

2.

2.0

With Caesars you also get the foundation of our Code of Commitment. It's been the foundation of our company for over 30 years, when we came to Pennsylvania. And as we've gone into other markets, we've brought that with us. And with that Code of Commitment comes our Responsible Gaming Initiatives. And really, we were first to market a lot of ways of responsible gaming. And that comes with self-restrictions. That comes with 21 and under - I'm sorry, 21 and over - making sure customers are 21 and over. And it also speaks to

our focus on making sure that - we don't have unattended minors. All that falls under the umbrella of our Code of Commitment and our responsible gaming.

2.0

2.4

Again, we were the first to broadcast ads around responsible gaming. And we take it a step further when it comes to self-restriction. So, while in Pennsylvania we have to look at restrictions within the state. And when someone gets banned at a property in Pennsylvania, we obviously add them to the Pennsylvania ban. But within our company, Caesars also restricts folks throughout the entire country. And those who enter our database as well, and we'll restrict here on our property as well. So, we take it, again, a bit further being a part of a large company like Caesars Entertainment.

So as I mentioned, we built our property up and opened almost 15 years ago, but we continue to look to refresh and refine the offering that we offer to our guests. We re-carpeted our floor back in 2017, spent over a million to do that. We purchased all new slot chairs for both our slot floor and our table floor. And we continue to purchase new slot machines and to lease new games

from our vendors on a regular basis, getting over
land new games in the past two years alone. And we
are excited to continue to look for new ways for
this remodeling we're doing to offer new product to
our guests on the gaming floor.

2.4

As I mentioned, we've changed over our food and beverage offering a few times over time to adapt to our customers' needs, Philly Tap & Tavern being the most recent example. And again, that's been just a great one with our guests, something that they used to have in the past and something that we were able to bring back in a new and refreshed way that has really spoken to our casino guests that visit us.

We've also had some great partnerships with some of the local sports teams. You can see there are Center Bar for our partnership with the 76ers. We're able to redeem that. There's Sportsbook in the back at our Center Bar. Just a lot of great opportunities for guests to both watch and place bets on sports. That has really stepped up, obviously, over the last two years since we've opened that.

We stay committed to offering our guests, again, a world-class gaming experience. We

spend a lot of money in marketing them for a variety 1 2. The most open way is what you see in the 3 amount of free slot pay that we extend to our And that's something that allows a 4 customers. 5 customer to come in with an offer that we give them 6 to start their day with us. We also have a lot of 7 other events and promotions we run throughout the As you can see in here, some car give-aways year. 9 are always very - very fun, jackpot drawings, 10 hotseats and some of the bigger parties that you see 11 around New Year's Eve and a big party we do in the 12 summertime. So, a lot of different ways that we 13 look to get customers to come to us here in Chester. 14 So as I mentioned, this really had 15 started with our commitment to harness racing from 16 the very beginning. That's what got us our Category 17 I License. And that's what's turning 15 years old 18 here in September. A lot of our tax money goes to 19 the Horseracing Development Fund and for other fees 2.0 as well. 21 We race about 150 live racing days a 22 year. We race on Wednesdays, Thursdays, Fridays and 23 Sundays for the most part, but we do, do some 24 specialty days, some night racing throughout the 25 summer as well to attract customers to our facility.

We're racing March/April timeframe and we'll go
through December, depending on the weather. Last
year we had a very successful Christmas Eve racing
day, so you know, we're going to look forward to
finding the right pockets of time for customers to
come - to come visit us. And we do focus a lot on
PA siring our horses to our racetrack facility.

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

And as I mentioned earlier, really one of the exciting things we've seen since we've come back from some of the closures and challenges of COVID is that horseracing popularity has grown in a tremendous way, and it's really been across the board. We offer, obviously, the live racing on our And that's where folks will bet on our live site. races or they'll be a simulcast feed into our - our racetrack from all across the country, and we'll get some get betting on that. And we saw some - some record days really in May from that kind of betting. So, May 30th is our invitational event that we do each year, and that's really where we put a lot on Memorial, Sunday, to active our full experience and the betting on the racing mill. That's the second best racing day in our entire history. And that was, you know, just this May. And a couple weeks before that, May 16th, not quite as big, but we had

our fifth best day on that Sunday. So, a lot of strength and popularity going on in racing, and that's on our on-track product.

2.

2.2.

2.4

And then we also have simulcasting. So, we simulcast within our building on the tracks around the country. And we also have a very healthy internet product. And as you can imagine, while our facility was closed last year, that internet product grew tremendously. And that has sustained in a lot of ways since we've come back. So, really, both the live racing product that we have and the internet business and the simulcast, that really has been seeing some tremendous growth in numbers. And we're very excited to see that continue going as we move forward.

And I do just want to touch - since we are I think the first casino to present since the COVID period has transpired, certainly we're still wearing masks today and we're still not fully out of all that, but I just want to take a moment and to acknowledge sort of the work the team did here in collaboration with the PGCB, with our - with our corporate office to - to really put our best foot forward as we kind of meandered through this past year - year of time.

So you know, we closed during - I 1 2. think we were the second casino to close in 3 Pennsylvania back on March 14th, and we were closed 4 through June 26th of last year. That was our first 5 closure period. And then the rest of the 6 Pennsylvania casinos had that second closure period 7 for three weeks, December 12th through January 4th. 8 And really during that first closure period, a lot 9 of time, energy and effort was spent by the team 10 working with our corporate office and working with 11 the PGCB to come up with some strong protocols that 12 we would be able to open with very good health and 13 safety standards for our team members and our quests when we did reopen that June. 14 And I think we did a 15 very good job of working - we collaborated on that 16 as we worked through that time.

And then the company really stepped up I thought during that period to take care of our team members while we were closed. So, we did pay for that first initial couple weeks when we closed that first time. We paid our team members for the entire two weeks for the second time. That was inclusive of their wages and tips for the tip positions. And we did pay benefits for our team members all the way through July 31st. So, a lot

17

18

19

20

21

22

23

24

was done to make sure that there was really minimal disruption as there could be for our team members.

We also launched our Caesars Cares

2.

2.0

2.2.

2.4

program at that time, which allowed team members to donate to the fund and that would be distributed.

We did have our Caesars Care Fund come out that allowed team members to donate and other — other folks. So, like our entertainers that work with us in Las Vegas and some of our celebrity chefs all donated to this fund. And then those funds would be distributed out to team members most in need during the COVID time. So, a lot done. Again, we also did two holiday gifts this year to our team members. So, again, I think the company and the property stepped up in a major way during a very challenging time for all of our team members.

So, just to get into some of the specifics of the economic driving of - of our operation. So, you know, primarily we started out first and foremost on the gaming side of our slot operations. And obviously, that's the biggest contributor to the - to the taxes and fees to the Commonwealth, over \$20 billion since our inception on that front. A lot of that also comes here locally to the City of Chester and to Delaware

County. We also have our own land lease agreement with both the city and the county. And again, we continue to pay and honor those throughout all these different and challenging times.

2.

2.1

2.2

Table games side, table games games and a few years later in 2010, different - different tax structure, but again almost \$170 million in taxes to this date from our - from our table games operation. And again, that also includes a separate land use agreement that we have with the city and county on table games.

Sports betting, as I mentioned, is still fairly new and fresh. We opened - you can see a couple pictures there again of our Sportsbook in January of 2019, but we do believe there's a lot of upside on this side of our business, our company overall, as I mentioned, in the process of rebranding and relaunching that here over the next few months. And we're very excited to see the impact of sports betting as we continue to move forward.

And then also, sort of in its early stages, is our online gaming offering. Again, both sports betting and online gaming as we know came out of the Act in 2017 and over the last couple years

has started to really grow here in Pennsylvania. 1 2. And we're excited again to see a relaunch of our -3 of our Caesars Online completely with sports betting 4 and with our slot and table product. And we are 5 about to launch our internet poker product here in 6 July. So, we're very excited to have a full 7 complement of gaming offerings on our online side. 8 And as you can see in the tag there, our responsible 9 gaming mantra of the company also goes to our online 10 experience as well. So, a lot of different ways 11 that we continue to activate our gaming offering 12 here in the Commonwealth, and that helps contribute 13 again to the taxes overall. 14 So I'm going to hand it over here to 15 Patty, our VP of Human Resources. And while I just 16 kind of went over there all the direct ways we 17 impact the community, Patty will really share kind 18 of some indirect ways that our team members dedicate 19 their time and money here in the community, yielding 2.0 to the tax dollars we generate. And then she'll go 21 over all the great things we do to hire a very 22 strong and talented team member workforce at 2.3 Harrah's Philadelphia. 2.4

Patty?

25

MS. CAIN: Hi. Thank you. Nice speaking with you today. I'm Patty Cain. Last name is, C-A-I-N. And as Chris said, I am here to speak to our team members and the dedication to the community.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

So we make a difference by supporting a lot of our community partners, several of which are here to speak with us today. We have contributed 1.8 million in charitable contributions since opening, donating to these local community partners during both property donations and also through our Caesars Foundation, specific grants. Wе did such things as we built a wing for the Crozer Library, a sign for the DelCo Literary Council, looking into more security and safety in Chester, and supporting them with security cameras are just some of the things that we help to contribute with our Community Back to Work program. It is a program that we work with our team members to also purchase homes in Chester.

We also, through our team members, support the local community. It's our HERO Program, which is Harrah's Employees Reaching Out. We contribute over 8,400 volunteer hours in 2019. And many of our leadership team and our team members also support these local community organizations.

- As you can see here, Boys and Girls Club, City Team, the library, United Way. Just several of the local organizations that we do support.
- We also contribute to the local community by purchasing food local I went too far.
- 6 I'm sorry through purchasing local and
- 7 Pennsylvania products. As you can see, we spent 22
- 8 percent of our local business enterprise supporting
- 9 | them, 22 percent, 2.34 million, 825,000 spent in
- 10 Delaware County. And 22 percent of that spend was
- 11 on minority business and women-owned businesses, or
- 12 | 2. I'm sorry, 3.47 million, supporting our local
- 13 business, such as the SpringHill Suites. Several of
- 14 our suppliers will be speaking on our behalf as well
- 15 | today, Frank McCall, Toft & Company, Health Net,
- 16 just to name a few.
- 17 Our team members are most definitely
- 18 our most valued asset. They make us who we are
- 19 today and they support our guests with spirit and
- 20 enthusiasm. They support our local community.
- 21 | Without them, we wouldn't have the impact that we
- 22 have.
- So the creator of family-sustaining
- 24 | jobs. Total salaries and wages paid since opening,
- 25 \$477 million. Our average hourly rate works out to

- 1 be about \$18.08 and salaried about \$70,000. Total
- 2 | employee taxes and benefits paid are \$218 million.
- 3 Full-time employees are eligible for JH insurance
- 4 program.
- 5 Several of the benefits that we offer,
- 6 | they get a free meal per shift, 401(k) match, paid
- 7 | time off, flexible time off, employee assistance
- 8 | program, tuition reimbursement program, the Seniors
- 9 Cares Program, which Chris had spoke to. And we
- 10 | have bonus and incentive programs and employee
- 11 discounts. We do offer free table game training
- 12 onsite to anyone that doesn't have any table games
- 13 experience and wants to come on and receive that
- 14 training. It is free of charge. It's a six-week
- 15 program. And then we do pay licensing fees for all
- 16 license renewals for all of our team members.
- 17 As we continue to grow, we are also
- 18 very committed to recruiting locally and onboarding
- 19 new team members. Throughout the pandemic, as you
- 20 can recognize, it's a tough place to work in
- 21 Philadelphia. The last year, obviously the pandemic
- 22 | impacted us for 2020, but we just are committed to
- 23 ensuring that we are focusing on local local
- 24 hiring.
- 25 And this represents who we are and

- 1 | that we're committed to a diverse workforce.
- 2 | Sixty-two (62) percent of our team members are
- 3 | minorities. Forty (40) percent of our team members
- 4 | are woman. Seventy-seven (77) percent of our
- 5 | employees are Pennsylvania residents. And 46
- 6 percent of our employees are Delaware County local
- 7 residents. And 42 percent of our employees are
- 8 | union affiliated.
- And speaking to our unions, the unions
- 10 | that we are affiliated with, we have Unite Here
- 11 | Local 54, which we're in that are Atlantic City
- 12 properties. That's mostly food and beverage, EDS
- 13 | slot, host, stewarding, wardrobe.
- 14 | We also have the Teamsters Union,
- 15 | which is just the warehouse team, the laborers,
- 16 | which are local here to Chester. That's our cage
- 17 cashiers and our mutual tellers. And then we have
- 18 | the carpenters, which represent our facilities team.
- 19 And then IBEW, who represent our slot technicians.
- We celebrate diversity amongst our
- 21 | team members, not only in our daily hiring of team
- 22 | members but also in the businesses we support.
- 23 We've got a local chapter, which is the Women in
- 24 Business.
- And with that, I'm going to introduce

Marianne Oronzio. We have a couple of on - are on mute that were - are actually from Chester. Both Marianne and Lawrence will come up to speak, but Marianne -.

2.3

2.4

MS. ORONZIO: Good morning, everyone.

My name is Marianne Oronzio. That's, O-R-O-N-Z-I-O.

I'm a Cage Credit Manager at Harrah's Philadelphia.

I started my journey with Harrah's a little over 14 years ago, in January of 2007, as a frontline cage cashier. I was promoted to cage supervisor in 2009, then to my current management position in 2018.

I call my career at Harrah's a journey because that is what it is for me personally, a lifechanging experience that has shaped me into the manager I am today. When I started back in 2007, I had no previous casino experience and wasn't even sure what a cage cashier was. I just saw an exciting opportunity to work at a company that was in my hometown. Over the past 14 years I've been extremely fortunate to have had leadership within Harrah's and to see my potential and have given me the coaching and mentorship that has allowed me to cultivate the career I have today.

I was born in Chester. I have spent all of my childhood growing up here. It makes me

- 1 | incredibly proud to be a part of Harrah's
- 2 | Philadelphia and to know how much we give back to
- 3 | the local community. Be it our work with Chester
- 4 | City Team, our donations to the Domestic Abuse
- 5 | Project of Delaware County or volunteering with CRC
- 6 | Watersheds, it is so fulfilling for me to know that
- 7 | I work for a property that gives so much back to the
- 8 | neighborhoods I represent.
- 9 I look forward to my continued growth
- 10 | within Harrah's Philadelphia. I hope my experience
- 11 can be repeated a hundred times over, and thank you
- 12 | for this opportunity to speak on behalf of Harrah's
- 13 Philadelphia. And thank you so much for your time.
- 14 MR. MOORE: Good morning, everyone.
- 15 | My name is Lawrence Moore, and I'm the Security and
- 16 Risk Manager for Harrah's Philadelphia.
- 17 My journey with Harrah's started in
- 18 2010. I was born and raised actually two blocks
- 19 away from the casino. 2010 I started as a security
- 20 officer. Had no plans on staying at Harrah's long,
- 21 | to be honest, right. It was a steppingstone towards
- 22 | my career, my journey. But being at Harrah's and
- 23 | the family environment and the way it took time and
- 24 | nourished my leadership skills, I worked at Harrah's
- 25 during the day.

```
2010 I started a program called
1
2.
    Legendary Leadership, which is a program where they
3
    take the top supervisors and they train them and you
    learn --- and you go about how to coach your team
 4
5
    and how to be a better manager and supervisor.
6
                   So in 2011 I was given the opportunity
7
    to become a supervisor. Between then and 2012 I
8
    actually met my wife at the job, got married to my
9
    wife then, 2012.
10
                   2014, I became a supervisor - I'm
    sorry, a shift manager. I apologize. 2014 to 2018
11
12
    I was shift manager as well - or just a manager.
13
    I'm sorry. Sorry, I'm a little nervous.
                                               2018
14
    forward, I became the Security and Risk Manager at
15
    Harrah's Philadelphia.
16
                   So throughout the years we've had many
17
    opportunities to help out the community, which I, in
18
    2014, won the Caesars Award of Excellence for
19
    coaching the youth football team in Chester.
2.0
                   I'm currently working on different
21
    initiatives to help out with the sports team as well
    now at Chester High. I look forward to working with
2.2
2.3
    the team on that.
2.4
                   Also, it's just a great place to work.
```

I would not change anything about my experience at

```
Harrah's. It's more of a family environment from my team of 50 officers and supervisors. It's really a team environment, and we start that from day one, when the employees start orientation.

So thank you. I want to thank you
```

So thank you. I want to thank you guys for your time, and have a great day.

ATTORNEY SCHRIER: That concludes our
formal presentation. Again, appreciate the
opportunity to speak on behalf of Harrah's
Philadelphia and look forward to taking any
questions.

PRESIDING OFFICER: I'll turn to Mr.

Armstrong, our Counsel with OEC. Do you have any
questions for Harrah's?

15 <u>ATTORNEY ARMSTRONG:</u> Yes, Director.

16 James Armstrong and Ashley Gabrielle

17 | for the OEC.

I'll direct my questions to Mr.

Schrier and to Mr. Albrecht, unless someone else is more qualified to testify as to the present.

21 Can I draw your attention to slide

22 four -

2.3

MR. ALBRECHT: Yes.

24 <u>ATTORNEY ARMSTRONG:</u> - a state-of-the-

25 art gaming experience? Is this description of the

```
number of slots and table games representative of
1
2.
    the gaming floor reconfiguration due to the slot
3
    reduction request approved by the Board last month?
                                   Yes.
 4
                   MR. ALBRECHT:
                                         This will be our
5
    footprint that we are in the process of completing
6
    now to get to the 700 slots. The 71 table games are
7
    in place.
                   ATTORNEY ARMSTRONG: Can I draw your
8
9
    attention to slide seven, Caesars Code of
10
    Commitment?
11
                   MR. ALBRECHT:
                                   Yes.
                   ATTORNEY ARMSTRONG: Did the COVID-19
12
13
    closures and layoffs in 2020 have any impact on
14
    Harrah's ability to meet its initial and annual
15
    problem gambling training, including underage
16
    gamblers, excluded individuals and self-excluded
17
    patrons?
18
                   MS. CAIN:
                               I think that all he can
    speak to there's a delay, of course.
19
20
                   MR. ALBRECHT:
                                  We were able to
21
    complete, but we did get some team members - give
2.2.
    team members extra time to complete.
2.3
                   MS. CAIN:
                               Okay.
2.4
                   ATTORNEY ARMSTRONG: Can I draw your
```

attention to slide eight, gaming floor improvements?

Does this representation include Harrah's recent 1 2. gaming floor reconfiguration and slot reduction? 3 MR. ALBRECHT: Does - does which part? ATTORNEY ARMSTRONG: 4 5 representation of - does this include the recent -? 6 MR. ALBRECHT: Yeah. These are -7 these are purchases and changes we made prior to that. So, this is made from improvements that we made over the last few years, and now the new 1700 10 number we're working towards will incorporate a lot 11 of these new products and new locations. So, yes, 12 you may see some of this product. We've referenced some of the stuff -. 1.3 14 ATTORNEY ARMSTRONG: this would have 15 been prior to the -? 16 MR. ALBRECHT: Correct. 17 ATTORNEY ARMSTRONG: And I draw your 18 attention to slide nine, new and rebranded food and 19 beverage. Are all Harrah's food and beverage 20 facilities now open? 21 MR. ALBRECHT: So, prior to COVID-19 22 we had one other outlet that has not reopened. 23 Everything else has reopened. Our steakhouse has 24 not, and we are contemplating what to do with that

25

space at this time.

```
1
                   ATTORNEY ARMSTRONG:
                                        Are they
    providing full service to Harrah's patrons or are
2.
3
    any COVID-19 restrictions still in place?
 4
                   MR. ALBRECHT:
                                  There are no - no
5
    longer COVID-19 restrictions on our floor at this
6
    time.
                   ATTORNEY ARMSTRONG:
                                         And in the
8
    restaurants -?
9
                   MR. ALBRECHT: Restaurants, correct.
10
                   ATTORNEY ARMSTRONG: Let me draw your
11
    attention to slide 11, commitment to harness racing.
    The claim of 70-plus jobs at the racetrack includes
12
    vendors, do you know how many of the 70-plus
13
14
    racetrack jobs are actually Harrah's employees?
15
                   MR. BROWN: So Harrah's employees -.
16
                   PRESIDING OFFICER:
                                        Sir, could you -?
17
                   MR. BROWN:
                               I'm sorry.
18
                   PRESIDING OFFICER: If you're going to
    answer the question, could you step up for me and -?
19
20
                   ATTORNEY ARMSTRONG:
                                        He should be
21
    sworn.
22
                   PRESIDING OFFICER:
                                        And if you have
23
    not been sworn, state and spell your name for the
24
    record, and she'll swear you in?
25
                   MR. BROWN: Barry Brown, B-R-O-W-N.
```

2 BARRY BROWN,

3 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
4 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS

5 FOLLOWS:

MR. BROWN: So, on the 70-plus jobs, that includes the State Racing Commission employees that are on the property. Harrah's employees is about 45.

MR. ALBRECHT: Barry's our Director of Racing, by the way - Director of Racing Operations.

That's the quick answer to that question.

ATTORNEY SCHRIER: I apologize for not introducing Barry earlier, but he's the Director of Racing Operations and is here as well. So, welcome, Barry. Thank you for stepping up.

ATTORNEY ARMSTRONG: I just have a few more questions. Can we go to slide 12, racing grid. This actual racing grid that you're seeing, is it more patrons onsite driving the surge in the parimutuel revenue or is it more attributable to the addition of internet wagering?

MR. ALBRECHT: Internet wagering

```
obviously is a higher volume number for us, but we are seeing spikes in our - in our on track. As I mentioned, it's really across the board, but yes, the majority of it has come from the internet simulcasting.
```

2.4

ATTORNEY ARMSTRONG: Then we get to slide 25, continuing to grow our team. Your claim that you are committed to recruiting locally, what do you mean by that? Is that City of Chester, Delaware County. The fact that you're in the Delaware Valley, is it the tri-state area? Do you actually recruit from new Jersey and Delaware?

the tri-state area. We do try to focus on local communities, working with the local Chester Chamber as well. We haven't been able to conduct any job fairs with them as of late due to COVID restrictions, but we do work very closely with them to look for actual local commitment to recruiting from Chester.

We do hold local job fairs at our property as well. We started ramping those back up and just to make sure that we're getting that local - local -.

ATTORNEY ARMSTRONG: Do you hold job -

MS. CAIN: We do actively recruit from

any job fairs out of state, in New Jersey?

1

17

18

19

20

21

22

23

24

25

2 MR. ALBRECHT: I was going to say, to 3 Patty's point, yes, obviously, the last year job some things have been different. But prior to that, 4 5 most of the job fairs we had would be onsite or 6 somewhere in the local community. We've also in the 7 past had strong partnerships with the local colleges, Weidner being the biggest example, 8 9 Delaware County Community College as well. So, most 10 of the recruiting we do that's active and onsite is done on the Pennsylvania side, but our jobs do go up 11 - out on different job sites and, yes, to people to 12 13 come work with us from New Jersey and Delaware. 14 as you can see, we still have 77 percent are coming 15 from Pennsylvania. So, the efforts are focused more on the Pennsylvania side on recruiting efforts. 16

ATTORNEY ARMSTRONG: Do you actively recruit employees from other Caesars properties, particularly the ones in Atlantic City?

MR. ALBRECHT: WE have an internal transfer program we do. It's a big part of coming to our company is not only that you come to work at your property, but you have the opportunity throughout that. Just like our customers have those great opportunities, our team members do as well.

```
43
    So, we do have a good flow of team members that do
1
2.
    start with us in Chester and go elsewhere, but we do
3
    have some that come from other markets and work with
         And we have several that do come more closely
 4
5
    from Atlantic City.
6
                   ATTORNEY ARMSTRONG: And I guess they
7
    more than likely remain New Jersey residents?
8
                   MR. ALBRECHT: Yes.
9
                   ATTORNEY ARMSTRONG:
                                        Okay.
10
                   Drawing attention to slide 26, there
    we are, there's a claim that 77 percent of the
11
12
    employees are Pennsylvania residents. Does the
13
    Gaming Act, it's actually 13A04, there's a goal that
14
    85 percent of Slot Machine Licensees, Table Game -
15
    Table Games Employees, to be Pennsylvania residents.
16
                   Can you tell me if that 77 percent -
17
    is that a cause to -?
18
                   MR. ALBRECHT: It's all team members,
19
    all -.
20
                   ATTORNEY ARMSTRONG:
                                         But do you know
21
    what percentage of the Table Games Employees are
22
    actually Pennsylvania residents?
2.3
                   MR. ALBRECHT: Not offhand.
2.4
                   MS. CAIN:
                               I don't.
25
                   MR. ALBRECHT: We can get you that
```

1 stat.

9

10

11

12

13

14

15

16

17

18

19

2.0

21

22

2.3

2.4

25

MS. CAIN: Yeah.

3 ATTORNEY ARMSTRONG: Yeah.

And there's claims also there on Slide

26, 62 percent of the employees are minorities and

40 percent are female. Can you tell us what

7 percentages of the executive and management teams

8 are minorities and women?

MR. ALBRECHT: We can get those stats for you. I would say that this is an opportunity for us for sure, but we're definitely not as represented in our leadership level. It's actually a focus of our company overall.

Caesars, a couple years ago, started a 50/50 initiative for men and women representation across all leadership levels. And we're obviously very focused on that as well here in Chester.

We, unfortunately, had some turnover at the leadership level that were both - turnover for female executives that we had, so we'll get you those specific stats, but we definitely know and recognize that that's an opportunity for us to have better representation as we go up the leadership levels.

ATTORNEY ARMSTRONG: And lastly, is

```
there any set policies that you have in place to
1
2.
    actively recruit strictly Pennsylvania residents,
3
    particularly for table games positions?
                              No.
 4
                   MS. CAIN:
5
                   MR. ALBRECHT:
                                 No.
6
                   ATTORNEY ARMSTRONG: I have no further
7
    questions, Director.
                   PRESIDING OFFICER:
                                       Mr. Schrier, do
8
9
    you have any follow-up with your witnesses?
10
                   ATTORNEY SCHRIER: I don't have any
11
    follow-up with the witnesses, but I would like just
12
    to have a few closing remarks and entering things
    into evidence, if that's okay, if we're at that
13
14
    point -.
15
                   PRESIDING OFFICER:
                                       Well, I'll turn to
16
    the board members first -
17
                   ATTORNEY SCHRIER: Sure.
18
                   PRESIDING OFFICER: - before we wrap
19
    up that.
20
                   Do the board members have questions
    for Harrah's witnesses?
21
22
                   MS. SMYLER:
                                Well, OEC actually asked
```

25 PRESIDING OFFICER:

executive level positions, so -.

23

24

the question I was going to ask about minorities and

```
1
                   MR. DERMODY:
                                 I have one quick one.
2.
                   PRESIDING OFFICER:
                                       Okay.
3
                   MR. DERMODY:
                                  It's a question about -
    you mentioned you do train on table games?
 4
5
                   MR. ALBRECHT:
                                  Here, onsite, in our
6
    casino. Yes.
7
                   MR. DERMODY:
                                 But you also said you
    work with the local community college?
8
9
                   Is that right?
10
                   MR. ALBRECHT: We have in the past.
11
    We no longer use the table games training that we
12
    used to have in Delaware County Community College.
13
                   MR. DERMODY: Did you have a program
14
    there?
15
                                  We used to do that but
                   MR. ALBRECHT:
16
    no longer.
17
                   MR. DERMODY:
                                  Is it happening
18
    elsewhere?
19
                   MR. ALBRECHT: We do a pretty good job
20
    of outreach onsite and we als0 - obviously, like
21
    most places, there's been a talent challenge find
22
    over the last year-plus. Our last two hiring events
23
    have gone well, so it seems that there's maybe a
24
    return to the workforce on that front. So, but
25
    yeah, we historically have not had problems on
```

posting having these hiring fairs and then getting 1 2. folks into our six-week dealer school. there's ongoing training once they get into hardcore 3 games as well. But we start you out in that six-week 4 5 program. 6 MR. DERMODY: Thank you. 7

PRESIDING OFFICER: Okay.

Mr. Schrier?

in the renewal process.

8

9

10

11

12

13

14

15

16

17

18

19

2.0

21

2.2

23

24

25

Thank you. ATTORNEY SCHRIER: Yes. So, obviously, given the challenges

that we've all had in the last year-and-a-half, I think what this company has done to date and over the last year-and-a-half certainly has been helpful and successful in terms of trying to promote all the kinds of things that the Gaming Act is looking for

I do want to thank the Board and the Board staff and BIE and OEC and all the Commissioners for all the patience that everybody has had and all of the - the assistance that has been provided in this whole pivotal process over the last 18 months.

I think we're at a point now where, hopefully, everything can move forward. So, I wanted to make sure that we thank you for all that

1 assistance.

You've heard from our witnesses.

3 You've heard from Chris, heard from Patty, Lawrence,

4 | Marianne and Barry, who I apologize I didn't

5 | introduce in the beginning. But I think with that -

6 with that evidence in the record, I would just add

7 | that I would like to move in the PowerPoint

8 | presentation that we had used today as evidence at

9 this hearing. And also we have provided the Board

10 | with Exhibits 1 through 19, which are letters that

11 | were received in support of the property's renewal,

12 | which have been submitted to the Board. And I would

13 ask that those be admitted into evidence as well.

14 And I understand that Senator Kane has

15 also provided a letter which was not on our list,

16 | but I know that Director Lloyd has a copy of that,

17 | and I would ask that that also be moved into

18 | evidence.

19 So, with that and my thanks, that

20 | concludes our portion of the presentation, but we're

21 here to answer any further questions that may come

22 up.

23

24 (Whereupon, Exhibit -- , PowerPoint, was marked

25 identification.)

```
1
        (Whereupon, Exhibit 1, Letter, was marked for
2.
        identification.)
3
        (Whereupon, Exhibit 2, Letter, was marked for
 4
        identification.
 5
        (Whereupon, Exhibit 3, Letter, was marked for
6
        identification.)
7
        (Whereupon, Exhibit 4, Letter, was marked for
8
        identification.)
9
        (Whereupon, Exhibit 5, Letter, was marked for
10
        identification.)
11
        (Whereupon, Exhibit 6, Letter, was marked for
12
        identification.)
        (Whereupon, Exhibit 7, Letter, was marked for
13
14
        identification.)
15
        (Whereupon, Exhibit 8, Letter, was marked for
16
        identification.)
17
        (Whereupon, Exhibit 9, Letter, was marked for
18
        identification.)
19
        (Whereupon, Exhibit 10, Letter, was marked for
2.0
        identification.)
21
        (Whereupon, Exhibit 11, Letter, was marked for
22
        identification.)
2.3
        (Whereupon, Exhibit 12, Letter, was marked for
2.4
        identification.)
25
        (Whereupon, Exhibit 13, Letter, was marked for
```

```
identification.)
1
        (Whereupon, Exhibit 14, Letter, was marked for
2.
        identification.)
3
        (Whereupon, Exhibit 15, Letter, was marked for
 4
5
        identification.)
6
        (Whereupon, Exhibit 16, Letter, was marked for
7
        identification.)
8
        (Whereupon, Exhibit 17, Letter, was marked for
9
        identification.)
        (Whereupon, Exhibit 18, Letter, was marked for
10
11
        identification.)
12
        (Whereupon, Exhibit 19, Letter, was marked for
        identification.)
13
14
        (Whereupon, Exhibit --, Letter from Senator
15
        Kane, was marked for identification.)
16
17
                   PRESIDING OFFICER:
                                        Mr. Armstrong, do
18
    you have any objection to moving the PowerPoint and
19
    the exhibits that were provided by Harrah's -
20
                   ATTORNEY ARMSTRONG: No objection.
21
                   PRESIDING OFFICER: - into evidence?
22
2.3
        (Whereupon, Exhibit --, PowerPoint, was
2.4
        admitted.)
25
        (Whereupon, Exhibit 1, Letter, was admitted.)
```

```
(Whereupon, Exhibit 2, Letter, was admitted.)
1
2.
        (Whereupon, Exhibit 3, Letter, was admitted.)
3
        (Whereupon, Exhibit 4, Letter, was admitted.)
        (Whereupon, Exhibit 5, Letter, was admitted.)
 4
 5
        (Whereupon, Exhibit 6, Letter, was admitted.)
6
        (Whereupon, Exhibit 7, Letter, was admitted.)
7
        (Whereupon, Exhibit 8, Letter, was admitted.)
        (Whereupon, Exhibit 9, Letter, was admitted.)
8
9
        (Whereupon, Exhibit 10, Letter, was admitted.)
10
        (Whereupon, Exhibit 11, Letter, was admitted.)
        (Whereupon, Exhibit 12, Letter, was admitted.)
11
        (Whereupon, Exhibit 13, Letter, was admitted.)
12
        (Whereupon, Exhibit 14, Letter, was admitted.)
13
14
        (Whereupon, Exhibit 15, Letter, was admitted.)
15
        (Whereupon, Exhibit 16, Letter, was admitted.)
        (Whereupon, Exhibit 17, Letter, was admitted.)
16
17
        (Whereupon, Exhibit 18, Letter, was admitted.)
        (Whereupon, Exhibit 19, Letter, was admitted.)
18
        (Whereupon, Exhibit --, Letter from Senator
19
20
        Kane, was admitted)
21
22
                   PRESIDING OFFICER:
                                        Okay.
23
                   So with that, we will move to our OEC
24
    and their presentation. Again, when you first
25
    speak, if you could state and spell your name for
```

```
1
    the court reporter.
2.
                   ATTORNEY ARMSTRONG: James Armstrong,
3
    Senior Enforcement Counsel, OEC. The last name is,
 4
    A-R-M-S-T-R-O-N-G.
5
                   PRESIDING OFFICER: And if you could
6
    speak up just a little bit more. The microphone is
7
    not the problem, but -.
8
                   ATTORNEY ARMSTRONG: I understand.
9
    With me here today is also Ashley Gabrielle, another
10
    attorney in the OEC.
11
12
        (Whereupon, OEC Exhibit 1, Data Compiled from
13
        NIBRS and UCR System from January of 2015 through
14
        May of 2021, was marked for identification.)
15
        (Whereupon, OEC Exhibit 2, Document was marked
16
        for identification.)
17
        (Whereupon, OEC Exhibit 3, Document was marked
18
        for identification.)
19
        (Whereupon, OEC Exhibit 4, Document was marked
20
        for identification.)
21
        (Whereupon, OEC Exhibit 5, Document was marked
22
        for identification.)
2.3
        (Whereupon, OEC Exhibit 6, Document was marked
2.4
        for identification.)
25
```

ATTORNEY ARMSTRONG: Director and
Commissioners, our presentation is the six exhibits
which you have in front of you marked for
identification as OEC Exhibit 1 through Exhibit 6,
as well as will be the testimony of Sergeant Zachary
Ryan of the State Police, Michael Wilbur, a
supervisor at the Bureau of Casino Compliance and
Jerry Ferriola, an investigator with the Bureau of
Investigations and Enforcement (BIE).
With the Director's permission, can I
call my first witness?
PRESIDING OFFICER: Yes.
ATTORNEY ARMSTRONG: Okay.
I'd like to call Sergeant Zachary
Ryan.
SERGEANT ZACHARY RYAN,
CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
HAVING BEEN PREVIOUSLY SWORN, TESTIFIED AND SAID AS
FOLLOWS:
DIRECT EXAMINATION
BY ATTORNEY ARMSTRONG:
Q. Sergeant Ryland, would you state your

- 1 | name and title for the record?
- A. Yes. It's Sergeant Zachary T. Ryan,
- 3 Pennsylvania State Police.

15

16

17

18

19

- Q. And how long have you been employed by the Pennsylvania State Police?
- 6 A. As of June, it will be 15 years.
- Q. And what is your current assignment and how long have you been in that assignment?
- 9 A. My current role is Office Commander of
  10 Harrah's Casino for the Bureau of Gaming
  11 Enforcement, and I've been there since it would
  12 have been July of 2019.
- Q. Can you briefly describe your current duties?
  - A. Yes. So, my current duties are basically managing day-to-day activities within our office and State Police and Harrah's Casino, and this includes keeping up working relationship with the employees of Harrah's and the other local law enforcement of the community.
- Q. Can you briefly describe the role of the
  Pennsylvania State Police and Harrah's Philadelphia
  Casino & Racetrack?
- A. Yes. So, our role overall is basically we're going to investigate any criminal activity,

anything through Title 18, Crimes Code, Title 75,

Vehicle Violations, Title 4, which is the Gaming

Code. And then, you know, we strive additionally

with that, too, keep up a working relationship with

employees as well as patrons who might come into

Harrah's Casino.

Q. Okay.

2.

2.0

2.4

What law enforcement agency has primary police jurisdiction over Harrah's Philadelphia

Casino and Racetrack and its parking lot?

- A. So it's split between us and Chester
  City. So, we would hold basically the gaming floor
  and employee areas outside the gaming floor. And
  then Chester would deal with anything external,
  parking lots, the garages, and then the mutuels
  level, the racetrack, where it's outside
  gaming-related activity.
- Q. Can you briefly describe the working relationship Pennsylvania State Police personnel have with the Chester City Police assigned to cover Harrah's Philadelphia?
- A. Yeah. So, I believe, you know, we have a good cooperative, working relationship with Chester City. We both assist one another when asked to, when needed for investigations or information as

things come up. We work well together.

1

2.

3

4

5

6

7

10

11

12

13

14

15

16

17

18

19

20

21

2.2

2.3

2.4

- Q. Can you briefly describe the working relationship Pennsylvania State Police personnel have with Harrah's Philadelphia personnel, particularly in security and surveillance personnel?
- A. Yes. So, I would say our relationship is one of professionalism and respect. Specifically with the Security and Surveillance Director and myself, we have an open dialogue, open communication. We work well together and cooperate when things come up.
- Q. And can you briefly describe the working relationship Pennsylvania State Police personnel have with personnel from the Board's Bureau of Casino Compliance that are assigned to Harrah's Philadelphia?
- A. That's been a cooperative working relationship where they're likely doing more investigative work. But based on the laws and regulations that we have, we make sure that we work cooperatively, share information as it comes up.
- Q. Moving in a new direction, are you familiar with the Uniform Crime Reporting System?
  - A. Yes.
- Q. Can you briefly describe what it is?

- A. So, essentially the Uniform Crime

  Reporting System is a program that collects and

  generates reliable statistics utilizing law

  enforcement data. Should I just want to note

  there's a transition period. The FBI now is looking

  for us to do what they call NIBRS, which is the

  National Incident-Based Reporting System, which is a

  more detailed reporting system from what UCR was.

  So, part of the data we have is UCR. And then as of

  20 January 2021, we transitioned to NIBRS.
  - Q. Which agency compiles the information contained in the Uniform Crime Reporting System?
  - A. So Pennsylvania essentially each law enforcement agency is required to have their own data. That data is then put into the system, either UCR of the NIBRS System. In fact, they have and they are responsible and that system compiles everything in Pennsylvania.
    - Q. Is it in an electronic format?
- 20 A. Yes.

2.

- Q. Is the Uniform Crime Reporting System
  available to the public, on the Pennsylvania State
  on the Pennsylvania State Police's website?
- A. Yes. You can navigate through our
  website directly to it or you can go with their own

- access, which is ww.ucr.pa.gov/paucrspublic, slash -1 2. and that will take you directly to the UCR site, 3 where you can on your own - you can go through and 4 look at specific data for all Pennsylvania -.
- 5 And how frequently is the information Q. 6 updated?
  - Α. So basically it's updated at the beginning of every month for the month previous.
  - Is the information contained in the data based off of today?
- Yes. 11 Α.

7

8

9

10

12

13

14

15

16

17

18

21

22

23

- Under what circumstances? Q.
- Α. So as cases statuses change, cases are closed, adjudication comes up, we determine new suspect information or accused information, then we update it. And then with NIBRS it's now automatically updated through our record management system.
- 19 And what information is contained in the Ο. 20 Uniform Crime Reporting System?
  - So basically NIBRS and UCR captures the Α. details of each single crime. Again, NIBRS - they look at every single specific instance within each investigation. So, it also includes victim,
- 25 offender, the relationship between the two, age,

- 1 | sex, race, ethnicity, the victim and offender,
- 2 | information for both all those things. And then
- 3 | we look at if there's thefts or property damage, it
- 4 | calculates total losses for the and recover -
- 5 losses and recovery of monetary value.
- 6 Q. Can the number of offenses reported be
- 7 reduced if a case is later determined to be
- 8 unfounded?
- A. So, yes, it can be.
- 10 Q. Before you are the six documents that the
- 11 OEC intends to offer into evidence in this matter.
- 12 | Can you identify for the record OEC Exhibit 1?
- 13 A. Yes. This is the data compiled from
- 14 NIBRS and the UCR system from January of 2015
- 15 | through May of 2021.
- 16 0. Are criminal offenses that occurred at
- 17 | Harrah's Philadelphia listed in the Uniform Crime
- 18 | Reporting System?
- 19 A. Yes.
- 20 Q. How are the offenses that occurred at a
- 21 licensed Pennsylvania casino entered into the
- 22 | Uniform Crime Reporting System?
- A. Again, prior to January 2021, we would
- 24 have trained personnel at each Pennsylvania State
- 25 | location, and they would then be responsible to take

that information and add it into the system at the beginning of the month for the month previous.

1

2.

11

12

13

14

21

22

23

24

25

However, now with the transition to NIBRS
that we're moving in, the point of this is to
automatically upload that information directly from
our records management system into the NIBRS system
and then alert our real-time tracker. And then we
do weekly audits of that information to ensure the
information we're entering is correct and accurate
at each location.

- Q. Does the Uniform Crime Reporting System list the number of actual offenses that are prosecuted?
  - A. It lists investigated and prosecuted.
- Q. What is the most common criminal offense at Harrah's Philadelphia based on the record?
- A. So based on that report, generally the most common is counterfeiting, unfortunately.
- Q. Can you give an example of one of the offenses?
  - A. Yeah. So, the best example would be somebody who would procure counterfeit currency, whether they created it or purchased it, and then try to either utilize it or attempt to utilize it within the casino. But then it also applies to

- somebody who may unknowingly have obtained counterfeit currency and then attempted or used it within Harrah's Casino.
- Q. Do the Pennsylvania State Police have any theories or an explanation as to why Harrah's Philadelphia experiences more incidents of forgery and counterfeiting than other offenses?
- A. So we have no proven theory, but the general idea is, based on the large sums of currency that comes through these types of institutions, it's just a better target for criminal activity for that specific crime and just turns out to be more -.
- Q. Since 2015, when the highest number of reported incidents of forgery and counterfeiting occurred, has there been a decrease in forgery and counterfeiting incidents at Harrah's Philadelphia?
  - A. There has been a decrease.
- Q. Is this reduction in forgery and counterfeiting attributable to law enforcement efforts by the Pennsylvania State Police?
- A. I would say it's a joint effort between the State Police and casino personnel.
  - Q. Okay.

2.

3

4

5

6

7

10

11

12

13

14

15

16

17

18

19

2.0

21

2.2

2.3

Moving to a different crime, can you say

how many thefts are reported at Harrah's

1 | Philadelphia by the Pennsylvania State Police in

- 2 2020?
- 3 A. In 2020 it was 34.
- 4 Q. How about 2019?
- 5 A. 2019, it was 44.
- 6 Q. 2018?
- 7 A. Ninety (90).
- 8 Q. '17?
- 9 A. Seventy-six (76).
- 10 Q. Sixteen (16)?
- 11 A. Eighty-seven (87).
- 12 0. '15?
- 13 A. 118.
- Q. And did the number of thefts reported at
- 15 | Harrah's Philadelphia from 2015 to 2020 remain
- 16 | somewhat consistent or did they fluctuate?
- 17 A. I would say the easiest answer is it
- 18 fluctuates.
- 19 Q. Are there a significant number of violent
- 20 | crimes at Harrah's Philadelphia?
- 21 A. In my opinion, no.
- 22 Q. Are there a significant number of crimes
- 23 regarding individuals under the age of 21?
- A. In my opinion, no.
- 25 Q. Has there been a noticeable increase in

- 1 any specific crime between February of 2015 and the 2 present?
- A. No. I think that's again best

  illustrated by OEC Exhibit 1, page 23. It's a trend

  report. You'll see it fluctuates. It's all over

  the place. There's no consistent pattern.
  - Q. So, after reviewing the Uniform Crime
    Reporting System, the S or S, Summary report for
    Harrah's Philadelphia, do you see a pattern in the
    type of actual offenses that have occurred at the
    licensed facility?
  - A. I don't see any pattern.

8

10

11

12

16

17

18

19

2.0

21

2.2.

23

2.4

- Q. Can you explain for the record the offensive training comparison reports included in Exhibit 1?
  - A. Yeah. So, this is the overall trends of serious serious or violent crimes within Harrah's from January 2015 to December of 2020. It's a comparison of each of month through each year, and it's more what we would call significant crimes, again, violent and thefts, things of that nature.
  - Q. Are the Uniform Crime Reporting System records for reporting the offenses at Harrah's Philadelphia for January 2021 to May 2021 now available?

- A. So it's available, but again, it's not captioned as it was in the previous months or years.

  Once again, as we're transitioning through the NIBRS, it's going to be it's going to take a
- 5 little bit until it gets all the kinks worked out of 6 it.
- Q. And would the records for reported

  8 offenses at Harrah's Philadelphia for January 2021

  9 to May 2021 be found on the last five pages of

  10 Exhibit 1?
- 11 A. Yes. If you notice if you looked at
  12 it, it has all investigations to include minor
  13 discrepancies, things that aren't considered crimes
  14 we even still go and investigate or look into.

15

16

17

18

2.2

23

2.4

- Q. Generally, are the Pennsylvania State
  Police satisfied with the level of cooperation
  between the staff at Harrah's Philadelphia and the
  trooper station within the facility?
- A. Yeah. We are extremely satisfied with
  the cooperation and assistance that we receive from
  all employees within Harrah's.
  - Q. And are there any issues or concerns that you think would negatively impact the suitability of Harrah's Philadelphia?
- 25 A. None that I can think of at this time.

Q. Thank you. I have no further questions.

PRESIDING OFFICER: Mr. Schrier, do

3 | you have any questions for Mr. Ryland?

ATTORNEY SCHRIER: On behalf of
Harrah's Philadelphia, I would just like to thank
Sergeant Ryland for all of his efforts and his
cooperation with - with the property and employees
of the property. I have no questions. Thank you.

PRESIDING OFFICER: Any board members?

10 Mr. Dermody?

4

5

6

7

8

9

11

12

13

14

15

16

17

18

19

20

21

2.2

2.3

2.4

25

MR. DERMODY: Thank you.

It's been a very short period of time, but it's become clear in that short period of time that almost all - I think all of our casinos have issues or problems with casino customers leaving children, young children, in cars while they're inside the casino gambling. So, I just wanted to mention the security and the relationship you have with the Chester - City of Chester Police and State Police, how you're handling that, what types of patrolling you're doing in the parking lots, garage and how that's working out and how you're addressing that situation.

MR. RYLAND: Yeah.

I mean, it's been very consistent

```
1 | since I've been in the Bureau that that does seem to
```

- 2 occur. Basically the way we handle it is our
- 3 | members will walk the floor and then walk the
- 4 | interior and exterior of the building. There's no
- 5 | set routines, no set patrol, per se.
- And then security also have roving
- 7 detail. They go to the garage. And then if we are
- 8 once they notify us and Chester at the same time
- 9 basically. We then will meet and go. Chester or
- 10 | the city will come out and, based on the
- 11 circumstances, one or two of us will investigate
- 12 and -.
- MR. DERMODY: So, the security that's
- 14 | patrolling the garage, you don't know how frequently
- 15 | that's done, what type of a basis?
- MR. RYLAND: No.
- 17 MR. DERMODY: How often they're out
- 18 | there checking the cars?
- MR. RYLAND: I don't know their
- 20 regularity. I know it's consistent. It's all the
- 21 time. They have a constant rover, they would call
- 22 | it, that's out there.
- MR. DERMODY: And who would intervene
- 24 | before the Chester City could get there?
- MR. RYLAND: Well, so if Chester was

```
close and they got the call, they were right there,
1
2.
    they might beat us, but yes, we don't wait.
3
    right to the incident, and then from there handle
4
    it.
5
                   MR. DERMODY:
                                 Thank you.
6
                   MS. SMYLER: Just as a follow-up, is
7
    that - even if it's the external, where Chester has
    Primary jurisdiction, you would still go to external
9
    site?
10
                   MR. RYLAND:
                                Yes. So, that's why I
11
    say we're - if they need us, we just go because
12
    we're right there on the scene. And then once we're
13
    there amongst jurisdiction, we discuss who's more
14
    appropriate to handle it. Yes, but we always go -.
15
                   MS. SMYLER:
                                All right.
```

16 Thank you.

17 PRESIDING OFFICER: Any further

18 questions?

19 MS. SMYLER: No. But after reading 20 all these graphs and reports, I may after I review 21 them all but not now.

22 PRESIDING OFFICER: Mr. Mustio, any 23 questions?

2.4 MR. MUSTIO: No questions.

25 PRESIDING OFFICER: If Mr. Armstrong's

- 1 | finished, you're excused.
- 2 ATTORNEY ARMSTRONG: Thank you,
- 3 | Sergeant.
- 4 MR. RYLAND: Thank you.
- 5 ATTORNEY ARMSTRONG: Director, OEC
- 6 | would like now to call Michael Wilbur.
- 7 PRESIDING OFFICER: Good morning.
- 9 MICHAEL D. WILBUR,
- 10 CALLED AS A WITNESS IN THE FOLLOWING PROCEEDING, AND
- 11 HAVING FIRST BEEN DULY SWORN, TESTIFIED AND SAID AS
- 12 FOLLOWS:

- 13
- 14 DIRECT EXAMINATION
- 15
- 16 BY ATTORNEY ARMSTRONG:
- Q. Mr. Wilbur, for the record, can you state
- 18 | your full name and spell your last name?
- A. Michael David Wilbur, W-I-L-B-U-R.
- Q. And with whom are you employed?
- 21 A. Pennsylvania Gaming Control Board.
- Q. And what is your title?
- A. I'm with the Pennsylvania Gaming Control
- 24 | Board, Casino Compliance Supervisor assigned to
- 25 | Harrah's Philadelphia.

Q. And for how long have you been in that position?

3

4

5

8

9

10

11

12

13

14

15

16

17

18

19

2.0

2.1

22

2.3

2.4

25

- A. I've been with the Bureau of Casino

  Compliance as a supervisor at Harrah's since August

  of 2015.
- Q. And can you describe for the record what your duties and responsibilities are?
  - A. Provide onsite supervision for casino and combined representatives and technical field representatives at Harrah's Philadelphia. And with that we establish liaison and a working relationship with law enforcement, casino property management PGCB assigned to Harrah's, participate in surveillances, searches and seizures when required in order to accomplish investigative needs and maintain the security of the gaming facility.

We regulate activities, the gaming of slot machines, table games, storage book, cashier casing areas, count rooms and voucher redemption kiosks.

We investigate patron complaints, unusual or suspicious activity on the casino floor, submission of currency transaction reports, suspicious activity reports for Title 31 compliance. We also investigate reports of state exclusions and

- self-exclusions, enforce compliance with all PGCB regulations, casino policies and casino internal controls. I also supervise all record storage and the submission of reports.
  - Q. And can you describe the role of the Bureau of Casino Compliance at the licensed Pennsylvania casino?

2.2

- A. The regulatory review and oversight at Harrah's Philadelphia Casino and Racetrack, all my staff are familiar with the board's regulations.

  And Harrah's Philadelphia internal controls. The BCC staff ensures that all Harrah's Philadelphia staff complies with all the Board's regulations and Harrah's Philadelphia Casino and Racetrack's internal controls.
- BCC staff ensures that employees of
  Harrah's Philadelphia and casino racetrack are
  properly licensed. Our staff conducts real time,
  24/7, observations and historic reviews of all
  Harrah's Philadelphia processes.
- Q. And can you describe the type of access the Bureau of Casino Compliance has within Harrah's Philadelphia, for such as the surveillance report?
- A. We have full access to the surveillance room 24/7.

Q. And the count room?

1

5

11

12

- A. Full access. And one of our staff
  members is either present or observes every table
  being counted.
  - Q. The central control computer?
- A. We have full access and we monitor that room, which is a highly secure room, via surveillance from our office.
- 9 Q. And your interaction with the Department 10 of Revenue?
  - A. We act as a liaison and assist DOR with facilitation of their duties in Harrah's ---- in Harrah's Racetrack.
- Q. And to your knowledge, are there any issues with the connectivity regarding the central control computer system at Harrah's Philadelphia?
- 17 A. None that I'm aware of.
- 18 Q. Was there ever a need for emergency
  19 access?
- A. Occasionally there may be an alarm,
  maintenance issues, repairs, emergency situations.
- Q. Does the Bureau of Casino Compliance interact with Harrah's Philadelphia patrons?
- 24 A. Yes, we do.
- Q. Do you respond to complaints?

- We investigate all customer 1 Α. Yes. 2. complaints. And using our knowledge and the 3 resources available to us, we make the appropriate 4 decisions.
- 5 And does the Bureau of Casino Compliance Ο. 6 conduct self-exclusion intakes?
- 7 Α. Yes, we do at the facility. And we also conduct intakes for voluntary credit suspension.
- Can you describe the relationship between the Bureau of Casino Compliance and the Pennsylvania 11 State Police?
- 12 Excellent. We work out of the same Α. 13 office and we see each other on a daily basis.
- 14 Q. Can you describe the relationship between 15 the Bureau of Casino Compliance and Harrah's 16 Philadelphia staff?
- 17 Α. Good.

10

- 18 Q. Does Harrah's Philadelphia -19 Philadelphia's staff have been cooperative in 2.0 compliance - in compliance reviews conducted by the 2.1 Bureau of Casino Compliance?
- 2.2 Α. Yes. They provide us with any 2.3 information or document - documentation that we need 2.4 in a timely manner.
  - Are the regulatory issues at Harrah's Q.

- Philadelphia comparable to the regulatory issues
  found at other Pennsylvania casinos?
  - A. I'd say yeah. There's nothing remarkable
     any other issue from any other casino. Everything
    is entirely familiar and the same with all the other
    casinos.
    - Q. And finally, do you know of any issues or concerns that would negatively impact Harrah's Philadelphia's suitability for continued licensure?
- 10 A. No, I do not.

4

5

6

8

11

12

1.3

14

15

16

17

18

19

20

21

2.2.

2.3

- Q. Now, aside and this isn't part of our preparation for today, but to your knowledge, has there been recent changes in data in regard to children left in cars and in parking garages in particular?
- A. They've updated a few things, but basically they've there are internal controls that they've had in place for a while. It's been fairly strict all along. They do constant training with security, in particular. And all their employees get training about what to do when they see unattended children.
- Q. Do they have 24/7 coverage in the parking yards?
- 25 A. Yes, they do. There's always a at

Mr. Ferriola, for the record, please

- 1 | state your state and spell your full name?
- 2 A. Jerry Ferriola, F as in Frank,
- $3 \mid E-R-R-I-O-L-A$ .
- Q. Jerry is a nickname. Can you spell your proper name?
- 6 A. My given name is Jennadi, J-E-N-N-A-D-I.
- 7 Q. Thank you.
- With whom are you employed?
- 9 A. I'm an investigator with the Pennsylvania
  10 Gaming Control Board, BEI.
- 11 Q. What is your present title?
- 12 A. I'm currently a Case Agent assigned to 13 Harrah's Philadelphia Casino.
- Q. And for how long haver you been employed by the BIE?
- A. I've been employed by the Bureau since

  October of 2006, and was promoted to Case Agent in

  June of 2015.
- 19 Q. And what are your responsibilities as an 20 investigator in the BIE?
- A. I conduct financial background
  investigations of individuals and/or companies who
  wish to conduct business with or participate in
  gaming activities in the Commonwealth of
- 25 Pennsylvania. I also conduct miscellaneous

- 1 investigations pertaining to potential regulatory
  2 violations at Harrah's Philadelphia.
  - Q. In your professional capacity, have you been deeply involved in the investigation of Harrah's Philadelphia's Renewal Application?
    - A. Yes, I have.

2.0

2.2.

- Q. When did the BIE begin its renewal investigation of Harrah's Philadelphia?
- A. The renewal investigation has been an ongoing process since it was assigned to me on October 2nd of 2019.
- Q. Could you describe the scope of the investigation?
  - A. After reviewing the policy for renewal investigation, I review the applications and send the correspondence to the Applicants, requesting supporting documentation related to the investigation. This includes extensive financial documentation, family history, military history, criminal and/or civil litigation and potential bankruptcy and lien information. I also conduct numerous database searches to verify the Applicant's credit history, criminal history, education, residence history, travel history, PGCB regulatory enforcement actions, special conditions, gaming

- 1 licenses, references and federal and state tax
  2 compliance.
- I then arrange a meeting with the

  Applicant to review all the requested documents and

  conduct an interview to review the application and

  supporting documents to ensure all information is

  complete and correct. And once the investigation is

  complete, I prepare a report of the investigation.
  - Q. Did you review the Renewal Applications filed by Harrah's Philadelphia and its principals, its principal entities and affiliates?
- 12 A. Yes, I have.
- Q. Has the investigation conducted criminal history, civil litigation history, tax clearances and other types of checks?
- 16 A. Yes.

10

- Q. Has Harrah's Philadelphia Casino and Racetrack personnel been cooperative during the investigation?
- 20 A. They've been a hundred-percent 21 cooperative.
- 22 Q. Is the investigation complete?
- A. yes. To this date to this date it is, but it's obviously an ongoing effort for the entire process -.

Q. And did the BIE discover any areas of 1 2. interest during the course of the investigation? 3 Α. No. 4 Q. Did the BIE discover any areas of concern 5 during the course of the investigation? 6 Α. No, not at all. 7 Q. Finally, did the BIE discover anything 8 during the course of the investigation that would preclude a finding of suitability for Harrah's 10 Philadelphia Casino and Racetrack? 11 Α. No. 12 Thank you. I have no further questions. Q. 13 PRESIDING OFFICER: Mr. Schrier? 14 ATTORNEY SCHRIER: Nothing from - from 15 me for Mr. Ferriola. Thank you. PRESIDING OFFICER: Board members? 16 17 Okay. 18 MR. FERRIOLA: Thank you. 19 ATTORNEY ARMSTRONG: That's our 20 presentation, Director. We'd like to move OEC 21 Exhibits 1 through 6 into the record at this time. 2.2 PRESIDING OFFICER: Mr. Schrier, any 2.3 objection? 2.4 ATTORNEY SCHRIER: No objection. 25 PRESIDING OFFICER:

79 So moved. 1 2. 3 (Whereupon, OEC Exhibit 1, Data Compiled from NIBRS and UCR System from January of 2015 through 4 May of 2021, was admitted.) 5 6 (Whereupon, OEC Exhibit 2, Document was 7 admitted.) 8 (Whereupon, OEC Exhibit 3, Document was 9 admitted.) 10 (Whereupon, OEC Exhibit 4, Document was 11 admitted.) 12 (Whereupon, OEC Exhibit 5, Document was 13 admitted.) 14 (Whereupon, OEC Exhibit 6, Document was 15 admitted.) 16 17 PRESIDING OFFICER: That concludes our 18 presentation portion. As Mr. Schrier pointed out, 19 we had received one public written comment from 20 Senator Kane, which is moved into the record and will be - and is on our Board website at this time. 21 So now we will move on to the public 22 23 comment portion of the hearing. As I call your 24 name, please come forward to the podium. And each

speaker should begin their remarks stating and

```
spelling your name for the record. And if you're
1
2.
   speaking on behalf of an entity, can you please let
3
   us know who that is?
```

You're - so you're each allotted about 4 5 five minutes to share your comments. As you're 6 reaching the end of your five minutes, I'll signal 7 you so you know and you can wrap up.

So all those who have registered to speak today or hope to speak today, if you could stand and be sworn by the court reporter.

11

8

9

10

12

14

15

16

20

21

23

24

25

(WHEREUPON, WITNESS SWORN EN MASSE.)

13

PRESIDING OFFICER: And Senator Kane is here with us today as well as having submitted written comments. So, Senator Kane?

17 SENATOR KANE: Thank you. And I think 18 we're still good morning. And welcome to DelCo. 19 It's good to see you. My name is Senator John Kane.

I represent parts of Chester and Delaware Counties, including the City of Chester, where we are now and 22 where Harrah's Philadelphia is located.

I am here in strong support of the renewal of Harrah's Category 1 License to operate a slot facility. Harrah's has been a part of our

community here in Chester since 2007. In addition 1 2. to being a great community partner, Harrah's has 3 become a critical part of the economy here in 4 Harrah's provides 900 jobs, including Chester. 5 almost 400 union jobs, and has generated over \$2 6 billion in taxes and fees to help fund city and 7 government operations here in Chester and across 8 Delaware County.

9

10

11

12

13

14

15

16

17

18

19

2.0

21

22

2.3

24

25

Beyond that, Harrah's employees have been dedicated to our community, supporting non-profits and organizations throughout our community. Like all of us, Harrah's is coming off a difficult year and facing a new series of challenges in light of the pandemic. The Harrah's officers, directors and employees have adapted complying with changing regulations and helping our community recover from Covid-19. I know Harrah's will continue to be an important community partner, and I highly support the Renewal Application. Thank you so much.

PRESIDING OFFICER: Thank you.

Our next speaker is the Mayor of Chester, Thaddeus Kirkland.

MAYOR KIRKLAND: Good morning. And good morning to all the members of the PA Gaming Control Commission. Especially good morning to a

couple of my former colleagues. It's good to see
you here as well, seeing you in Harrisburg and
welcoming you here to our great community and our
great City of Chester. Also, to the members of the
PA Legislature who might be present and Senator
Kane, to all of you a good morning.

First of all, please - please allow me
to welcome you all to this great city, our great
city, the City of Chester, the place that I have had
the pleasure of calling home all my entire life, 25

Secondly, I would like to thank this body for allowing me to address your concern of the relationship, partnership and the true friendship with Harrah's and Chester that has been nothing less

16 than fruitful down through the years.

years.

Before being elected as Mayor of this city in 2016 I had the honor of serving in the House of Representatives some 24 years. While a member of the House of Representatives, I was genuinely concerned about the possible negative impact that a gaming facility might have on a community like ours, genuine concern.

I thought about out-of-control gambling, the closure of homes and the breakup of

```
families. Well, Madam Chair, members of this body,
1
2.
    I was deeply and totally wrong.
                                      Since 2008,
3
    Harrah's Casino has provided this city with an
    influx of $10 million plus annually to our general
 4
5
    budget. In 2014, they contributed $2 million
6
    annually in real estate taxes to the city's economy
7
    and they provided one-half million a year in earned
8
    income tax to our budget and our city. Oh, and
    please let me not forget the numerous jobs and
10
    career opportunities that have been created by this
    casino being present here in this city. And now,
11
    post pandemic, they are looking to hire even more
12
13
    persons to Harrah's Casino.
                   We, as a city, have been able to
14
15
    survive and thrive because of Harrah's Casino and
16
    the gaming industry. This is why I and my fellow
17
    colleagues on the Chester City Council support the
    continuance of Harrah's Casino Racetrack
18
19
    Philadelphia here in the Great City of Chester and
20
    we hope that you're going to do the very same.
21
                   Thank you once again for this
22
    opportunity to address this body, and please have a
23
    great day.
               Thank you.
2.4
                   PRESIDING OFFICER:
                                        Thank you.
```

That is all of the government

representatives I have. Are there any other
governor - government representatives here today
that believe they registered to speak and I haven't
called your name?

Okay.

2.0

2.2

We will move on to our community group. Our first speaker, Julie Avalos. And if I mangle your name, I apologize ahead of time.

MS. AVALOS: Hello. Good morning. My name is Julie Avalos. You did pretty good. It's A-V-A-L-O-S. And I stand here as the Executive director of the Domestic Abuse Project of Delaware County and in support of Harrah's Casino.

The Domestic Abuse Project of Delaware County, or as we call ourselves, DAP, is a domestic violence 501(c)(3) nonprofit organization that serves victims of domestic violence and those impacted by domestic violence across the county - across Delaware County.

We serve over 2,500 victims of domestic violence through a series of support services that we provide to residents in the county, including a shelter for women and children, staff attorneys that provide representation through the protection from Abuse Order process, through Court

accompaniment and support through both criminal and civil court process as well as therapy, mental health and counseling services for those traumatized by victim - by their victimization.

2.2.

2.3

We do this as a nonprofit on behalf of some of the most vulnerable citizens across the county - across Delaware County. We could not do this without the importance of strong partnerships with entities like Harrah's. Harrah's has been a huge support to us as a non-profit in this county. One of the things that we do that we're really proud of is we have a very large awareness effort across the county bring awareness about domestic violence and provide systems trainings to different entities about the importance of how to best respond to victims.

And one of the systems that we work with is the police force. And Harrah's has been a huger supporter of our trainings over the last several years by providing, with no charge, space for us to use their space within the casino to — to train hundreds of police officers across the county on an annual basis about the importance of responding to domestic violence.

In addition, their employees have done

```
such things as donation drives for our clients,
1
2.
    dropping off donations to us to be able to provide
3
    those that we serve as well as providing monetary
 4
    donations to the organization. So, again, as a
5
    nonprofit, we're unable to do the work and impact
6
    those that we serve without the - without the strong
7
    community partners that we have. So, we're
8
    definitely grateful for Harrah's for all that they
    have done and will continue to do to help to support
10
    the Domestic Abuse Project, as we serve those in
11
    Delaware County. Thank you.
12
                   PRESIDING OFFICER:
                                        Thank you.
13
                   Jonathan King?
14
                   MR. KING: Good morning.
                                              My name is
15
    Jonathan Abdur-Rahim King, J-O-N-A-T-H-A-N, capital
16
    A-B-D-U-R, dash, R-A-H-I-M, K-I-N-G.
17
                   Thank you, members of the Pennsylvania
18
    Gaming Commission. I am a board member of Delaware
19
    County Literacy Council. I have been a board member
20
    for 10 years. We are happy to celebrate the 14
21
    years now that we have had our relationship with
2.2
    Harrah's Casino.
2.3
                   Here at the Literacy Council we offer
```

free adult education services to people who want to

improve their reading, writing, math and English

2.4

language skills. Our adult students have goals of getting jobs, passing the U.S. Citizenship Test, going to a trade school or college and being active members in the community. And we also help people get their GEDs.

Since we've been partners with

Harrah's for ten years of having our event at the

casino, Harrah's has been a great treasure and

support to our organization. We have benefited from

the talented Harrah's staff who have volunteered on

our Board of Directors starting ten years ago by

Jeanette Perue. Joined - she joined our board ten

years ago, and ever since then Harrah's been a

supporting factor for us. Following her were Travis

Landon, Nicholas Capriotti, Charles O'Hala, and I

think presently we had Scott Love as our newest

board member.

These leaders shared their wisdom and helped us connect with Harrah's. Harrah's was generous was financial income support. We are grateful to have had our annual event there for the last four years, which we raised almost - most of our money. This and a contribution over \$25,000 saved us the hospitality cost for having it there at Harrah's. We have also received an additional

1 \$10,000 in other grants, sponsorships, gifts, basket 2 auctions, and et cetera.

2.3

Again, Harrah's has begun this tradition of generosity as soon as they opened Chester by funding us with a whopping \$38,000 collaborating training program with the Literacy Council Workforce Investment Board to help local residents and Harrah's new employees improve their skills. I know we've received \$5,000 last month and will see if there are any updates that I don't know about to date.

In the past Harrah's staff had painted lines in our parking lot, painted classrooms and helped us improve our street side appearance with new signs that we have out front now.

On behalf of the Board, as a member for ten years and the staff, I recommend that Harrah's Gaming License be approved. Thank you.

PRESIDING OFFICER: Donald Garfinkel?

MR. GARFINKEL: Jonathan did my

presentation, so -.

22 PRESIDING OFFICER: Okay.

That is the end of my community group list. Are there any other representatives from community groups who believe they're registered and

```
I have not called your name?
1
2.
                   Seeing none, we'll move on to the
3
    individuals.
                  Vince Del Rossi?
                   MR. DEL ROSSI:
                                    Good morning,
 4
5
    everyone. My name is Vince Del Rossi. It's spelled
    Del Rossi, D-E-L, R-O-S-S-I. My wife Nancy and I,
6
7
    we have operated a business here, Health Mats, in
    Chester for the last 51 years. Harrah's has been an
9
    excellent customer of ours as well and there's been
10
    an excellent relationship between the two parties.
11
                   I've heard a lot of things here, but
12
    the key that I would key on, being in this city for
13
    50 years, is the employment. To bring the people of
14
    Chester a job is very important.
                                       I've heard the
15
    employees - it's - you know, it's a struggle at this
    time, as we all know, but that's the key.
16
17
    been here, like I said, 50 years, from the time it
18
    was Sun Ship until it became Harrah's. And from
19
    there, we've been a customer of theirs ever since.
2.0
    And I would strongly ask the Council to renew their
21
    license and - recognize the good work they've been
2.2
    doing. Thank you.
2.3
                   PRESIDING OFFICER:
                                        Thank you.
2.4
                   Edward - it looks like collision, but
25
    it's Collison.
```

MR. COLLISON: It's okay. It's been happening for years.

3

4

5

6

7

9

10

11

12

13

14

15

16

17

18

19

2.0

21

22

23

2.4

25

My name is Edward Collison, C-O-L-L-I-I am the president and owner of Collison Company, Incorporated. We're a local Delaware county electrical contractor. We've been at the Harrah's site since 2004. We are the city contractor with Local 654 IBEW. And since I spoke approximately five years ago in favor of continuing the license of Harrah's, I do so again today. had a great working relationship with Harrah's since we were fortunate enough to be on the initial project, working - and thank you to the Pennsylvania Gaming Control Board for the opportunity to work in casinos, including Harrah's. We completed the fourth casino and are currently working at Hollywood in Morgantown. So, the opportunity for gaming in the state has increased our business greatly, so That's all I have. thank you.

PRESIDING OFFICER: Samuel Beegle?

MR. BEEGLE: Good morning. My name's

Sam Beegle, Beegle is B-E-E-G-L-E, and I'm the

President of the Pennsylvania Harness Horsemen's

Association or the PHHA. Since the last licensure

renewal of Harrah's Philadelphia, the PHHA has

```
1 worked hand-in-hand with track management, remote
```

- 2 harness racing, even during a global pandemic.
- 3 During this time we were able to create new and
- 4 | innovative ways to market our product, the
- 5 | magnificent standardbred horse. At Harrah's
- 6 | Philadelphia we raced 150 days, from April until
- 7 December, which helps infuse not only the Harrah's
- 8 | slots and gaming floor but the Philadelphia metro
- 9 economy as well as the great Philly area economics.
- In regard to the reason we're here and
- 11 the subject of the hearing, we at the PHHA are very
- 12 enthusiastic in our support of this renewal of the
- 13 | Gaming License for the racetrack and casino. Thank
- 14 you.
- 15 PRESIDING OFFICER: That is the end of
- 16 | my list of any registered speakers. Is there
- 17 | anybody here today that registered as an individual?
- 18 Seeing no one, Harrah's do you have
- 19 | any closing remarks?
- 20 ATTORNEY SCHRIER: I do not have
- 21 anything further. Thank you.
- 22 PRESIDING OFFICER: OEC?
- 23 ATTORNEY ARMSTRONG: We have nothing
- 24 | further at this time.
- 25 PRESIDING OFFICER: If either party

has a burning need to file a brief or a memorandum, 1 2. those are due to the Board Clerk by close of 3 business Wednesday, July 7th. I don't think you 4 will, but the opportunity is there. 5 The record will remain open until the 6 Board hears the matter at a later public board 7 meeting. I'll prepare a summary report of the This report, along with the events today. transcript and all submitted exhibits and other 10 documents, will be submitted to the full board for its consideration and at its convenience will 11 12 schedule the matter to be heard at a future public 13 board meeting. 14 I want to thank all of you for coming 15 today and participating. I'd like to thank the 16 staff here at the City of Chester as well for their 17 cooperation and providing a space for us today to 18 hold this hearing. 19 The hearing is now concluded and 20 adjourned. Thank you. 2.1 2.2 HEARING CONCLUDED AT 12:00 P.M. 2.3 2.4

## CERTIFICATE

I hereby certify that the foregoing proceedings, hearing held before Presiding Officer Lloyd, was reported by me on 6/30/2021 and that I, Samantha Sennett, read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.

Dated the 26 day of August, 2021

11 Samantra Simett

12 Samantha Sennett,

13 Court Reporter

Sargent's Court Reporting Service, Inc. (814) 536-8908